

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2802 - HB 3005

February 11, 2010

SUMMARY OF BILL: Makes changes to the Tennessee Title Pledge Act and the Deferred Presentment Services Act regarding the permissible rates that these lenders can charge a borrower. Reduces the effective rate of interest that may be charged from two percent to one-half of one percent per month and the customary fee from one-fifth of the original principal amount to three percent of the original principal amount of the title pledge agreement. Reduces the fee amount that a deferred presentment service provider is authorized to charge a customer from 15 percent of the face amount of the check or \$30 to five percent of the face amount of the check or \$30.

ESTIMATED FISCAL IMPACT:

MINIMAL

Assumption:

- No fiscal impact on state or local government.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style.

James W. White, Executive Director

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